5/23/88

NUEXCO

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NUEXCO REPORT 237 FIGURES OF THE MONTH (April 30, 1988)	This Month (Report 237)	Last Month (Report 236)	12 Months Ago (Report 225)
Exchange Value ($US per pound U_3O_8)	15.75	15.90	17.00
US Premium for the Exchange Value ($US per pound U_3O_8)	0.25	0.15	1.50
UF_6 Value ($US per kg U as UF_6)	45.25	45.50	48.00
US Premium for the UF_6 Value ($US per kg U as UF_6)	0.50	.50	3.00
Transaction Value ($US per pound U_3O_8 equivalent)	16.45	16.55	17.00
Loan Rate (Per Annum)	3.5%	3.5%	3%
Conversion Value ($US per pound U as UF_6)	1.80	1.80	1.80
Near-Term Uranium Supply[1] (millions of pounds U_3O_8)	5.6	6.0	4.5
Near-Term Uranium Demand[2] (millions of pounds U_3O_8)	1.2	2.5	.6
Near-Term Supply-Demand Ratio	4.8	2.4	7.8
Recent Uranium Sales:[3]			
Number of Transactions	1	12	10
Quantity of Material (Millions of pounds U_3O_8 equivalent)	<0.3	12.6	4.1
Nuexco SWU Value: ($US per SWU)[4]			
at 0.3 percent tails assay	68	70	77
US DOE SWU Prices: ($US per SWU)			
USEC	117.00[4]	117.00[4]	119.00[5]
AFC	153.00[6]	153.00[6]	153.00[6]
Requirements	157.00[6]	157.00[6]	157.00[6]
Incentive Price	90.00[7]	90.00[7]	90.00[7]
Market Value of Enriched UF_6[8]: ($US per kg U as UF_6)			
2.5 w/o U_{235}	414	421	455
3.0 w/o U_{235}	529	539	582
3.5 w/o U_{235}	646	658	711
4.0 w/o U_{235}	765	779	842

[1]Active inquiries to sell, for delivery within 12 months after contract signing.

[2]Active inquiries to purchase, for delivery within 12 months after contract signing.

[3]Uranium sales only; does not include loans, conversion, or SWU transactions.

[4]Effective since 10/1/87.

[5]Effective since 10/1/86.

[6]Effective since 10/1/84.

[7]Effective since 10/1/86, for up to 30% of annual requirements.

[8]Calculated using the Nuexco Exchange Value, Conversion Value, SWU Value and 0.30 percent tails assay.

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EXECUTIVE SUMMARY
REPORT 237
(All data as of April 30, 1988)

Exchange Value
$15.75, down $0.15

The **Exchange Value** is **$15.75** per pound U_3O_8, down $0.15 since last month. The US Premium (relative to the Exchange Value) is $0.25, up $0.10 since last month.

UF_6 Value
$45.25 down $0.25

The **UF_6 Value** is **$45.25** per kg U as UF_6, down $0.25 since last month. The US Premium (relative to the UF_6 Value) is $0.50, unchanged since last month.

Transactions

One recent natural uranium sale is reported, involving **less than 300,000** pounds equivalent U_3O_8. This sale involved spot or near-term delivery, and met the conditions for inclusion in the Transaction Value. Active spot and near-term **uranium supply** amounts to **5.6 million** pounds U_3O_8 equivalent, down 400,000 pounds since last month. Active spot and near-term **uranium demand** totals **1.2 million** pounds, down 1.3 million pounds since last month. The spot and near-term **supply-demand ratio** increased to **4.8 to 1**.

Transaction Value
$16.45, down $0.10

The **Transaction Value** is **$16.45** per pound U_3O_8, **down $0.10** since last month. The calculation includes 25 transactions involving a total of more than 3.3 million pounds U_3O_8 and equivalent UF_6 and covers a period of 5 months.

Loan Rate
3.5%, unchanged

The **Loan Rate** is **3.5 percent** per annum, unchanged. No loan transactions are reported.

Conversion Value
$1.80, unchanged

The **Conversion Value** is **$1.80** per pound U as UF_6, unchanged since last month. There is no active secondary market supply for conversion services this month. Active demand totals 750,000 pounds U as UF_6. No secondary market conversion transactions are reported.

SWU Value $68,
down $2

The **SWU Value** at .3% tails assay is **$68** per SWU, down $2 since last month. One secondary market SWU transaction is reported this month, involving less than 50,000 SWU.

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Sweden

Sweden's government introduced a bill scheduling the first two nuclear plant closures as part of a 1980 referendum vote to phase out nuclear power by the year 2010.

United States

The Supreme Court held a hearing on the US Producers vs. DOE lawsuit on April 27, 1988. The Court's line of questioning raised the possibility that it might be remanded back to the lower courts for additional review.

Analysis and Commentary

The US Senate passed the Uranium Revitalization, Tailings Reclamation and Enrichment Act on March 30, 1988. This article discusses Title I of the Bill, which contains provisions restricting the import of foreign uranium, and Title I is reprinted in its entirety.

Essay

Mr. J.R. Wolcott, former Chairman of Nuexco, expands on the theme he first developed in an earlier paper entitled *A National Strategy for Nuclear Power*. His premise is that to ensure its survival in the future, the US nuclear industry must initiate a "Second Era" by developing a large-scale reactor prototype program and by organizing to promote public and government support.

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